

Kirklees College Corporation

## AUDIT COMMITTEE

### Minutes of a meeting held at 1500 on Wednesday 17 April 2024 in B05028 (Conference Room), Waterfront, Huddersfield Centre

Present:	J Clement Walters A Conn J Firth D Harding M Pearmain	Independent Member (Chair) Independent Member (via video link) Independent Member Independent Member Co-opted Member (via video link)
Attendance:	5/5 = 100%	KPI 80%
In attendance:	J Arechiga P Doherty D Rayneau P Singh C Tague L Watson  R Lewis S Pringle  N Spaxman S Rawson P Sugden P Lucarz R Harwood	Vice Principal Curriculum & Innovation Deputy Principal of Finance & Resources Vice Principal Business Systems, Information & Technology Principal and CEO Director of Governance & Compliance Governance Support Officer (meeting clerk)  RSM (external audit) representative (by video link) Wylie & Bissett (internal audit)  Head of IT & Systems Management (Item 3) Head of Recruitment & Careers (Item 4) Executive Director of Estates & Facilities Executive Director People & Culture (Item 7) Head of Health & Safety (via video link - Item 12)

Item	Action
<b>CLOSED SESSION</b>	
<b>00</b>	<b>WELCOME AND INTRODUCTIONS</b>
	The Chair opened the meeting and welcomed the auditors to the closed session.
<b>01</b>	<b>NOTICE AND QUORUM</b>
(i)	Due notice of the meeting had been given and the meeting was quorate.
	<b>APOLOGIES FOR ABSENCE</b>
(ii)	No apologies were received.
	<b>DECLARATIONS OF INTEREST</b>
(iii)	All confirmed they had no direct or indirect interest in the business to be transacted at the meeting which they were required by the Instrument of Government to disclose, other than those matters previously disclosed.
<b>02</b>	<b>CLOSED SESSION WITH AUDITORS TO DISCUSS MATTERS RELATING TO THE COMMITTEE'S REMIT AND ANY ISSUES ARISING FROM THE AUDITS</b>
(i)	R Lewis (RL) RSM, confirmed that the Financial Statements and Regularity Audit Findings had been completed and submitted to the ESFA by the required deadline.

(ii)	S Pringle (SP) Wylie & Bissett, advised the committee that a bursary funding review was in progress as part of the internal audit and that there were no items for discussion.	SP
(iii)	A number of questions were raised in relation to the estates management and health and safety internal audit reports due for consideration. SP advised that he would liaise with colleagues as to the sampling methodology used on those particular reports and report back to the committee.	
(iv)	SP confirmed that the student recruitment report had been reissued due to a typographical error in the report.	
(v)	<b>Action:</b> SP to report back to the Committee as to the sampling methodology used on the health and safety and estates management internal audit reports.	
PRELIMINARY ITEMS		
1520	<i>P Singh, J Arechiga, P Doherty, and D Rayneau joined the meeting.</i>	
1	<b>WELCOME AND INTRODUCTIONS</b>  The Chair welcomed the management team to the meeting.	
2	<b>APPROVAL OF MINUTES OF THE PREVIOUS MEETINGS</b>  <b>RESOLVED:</b> the minutes of the meeting held on 6 December 2023 were approved as a correct record. There were no matters arising that were not on the agenda.	
1525	<i>N Spaxman (NS), Head of IT &amp; System Development joined the meeting</i>	
INTERNAL AUDIT REPORTS (Wylie & Bisset)		
3	<b>ICT CYBER MATURITY ASSESSMENT</b>	NS
3.1	In introducing the ICT Cyber Maturity Assessment report, S Pringle, Wylie & Bisset (SP) advised that the review had provided a substantial level of assurance over the College's ICT Cyber Maturity and associated policies, procedures, and controls.	
3.2	In considering the report it was noted that 4 medium grade recommendations had been made for improvement and accepted by management.	
3.3	NS confirmed that the recommendation in relation to the procurement and deployment of a vulnerability scanning tool had been implemented.	
3.4	The Committee were advised that the rationale for the management response to record and check cyber security certification for third party software suppliers, rather than all IT suppliers, was that the bulk of expenditure and risk rested with software rather than hardware. A member of the committee questioned this stating that cyber security attacks would take advantage of any form of weakness regardless of level of expenditure. Following discussion, it was agreed that the scope of this response should be broadened.	
3.5	<b>ACTION:</b> That the management response to recommendation 4 (suppliers to provide evidence of cyber security certification) outlined within the report be broadened to encompass suppliers that process, hold and upload College data, not just third-party software providers.	
3.6	<b>Corporation report 1:</b> The Committee received a report from the internal audit service provider Wylie & Bisset which provided a substantial level of assurance over the College's ICT Cyber Maturity and associated policies, procedures, and controls.	

	The Committee's view that the management response to the recommendation in relation the requirement for suppliers to provide evidence of cyber security certification was accepted and will be broadened to encompass suppliers that process, hold and upload College data, not just third-party software providers.	
1540	<i>N Spaxman left the meeting and S Rawson (SR), Head of Recruitment, Careers &amp; Customer Service joined</i>	
<b>4</b>	<b>STUDENT RECRUITMENT</b>	
4.1	In introducing the Student Recruitment internal audit report, S Pringle (SP) advised that the audit covered new student recruitment for students aged 16-18. The review considered the suitability of the arrangements for gaining information in relation to courses and access to support and course enrolment to ensure that the student recruitment and experience was effective.	
4.2	Following the review, Wylie & Bisset were able to provide strong assurance that the College had appropriate controls and systems in place for student recruitment. The report included a number of good practice points, with one low grade recommendation for improvement, namely to reintroduce focus groups to allow feedback into marketing practice. SR confirmed that this was being implemented and went on to highlight that the marketing team was well-established, with effective links and integrated working with other departments, as well as robust checks and systems in place leading to higher conversion rates.	
4.3	It was noted that the student induction process was covered by a previous internal audit review regarding student personal development.	
<b>4.4</b>	<b>Corporation report 2:</b> The Committee received a report from the internal audit service provider Wylie & Bisset which provided strong assurance that the College had appropriate controls and systems in place for student recruitment.	
1550	<i>S Rawson left the meeting and P Sugden, Executive Director of Estates &amp; Facilities joined</i>	
<b>5 &amp; 6</b>	<b>HEALTH &amp; SAFETY / ESTATES MANAGEMENT</b>	
5.1	In introducing the Health & Safety internal audit report, S Pringle (SP) advised that the purpose of the review had been to ensure that the College had the appropriate policies and procedures in place to ensure compliance with health and safety legislation and provide assurance to the Audit Committee that the College's health and safety arrangements were adequate.	
5.2	Following the review, Wylie & Bisset were able to provide a substantial level of assurance regarding the controls in place for health and safety at the College and two medium grade recommendations had been made to improve on the current practices in place.	
5.3	In response to a member question, it was clarified that the recommendation in relation to the undertaking of health and safety checks and keeping an up-to-date record of contractor documentation did not include sub-contractors and this was covered in an annual sub-contractor controls review.	
5.4	Discussion moved onto the Estates Management internal audit report with a question raised as to statutory safety inspections being highlighted as an area of good practice given previous reporting in this area. The Committee were advised that there had been significant progress in the intervening 9-month period, with current overall compliance for Estates & Facilities at 100% for legislative compliance and 98.5% including non-legislative checks.	
5.5	In response to further questions as to the reliability of information, the Committee were advised that the College had not had any input into the internal auditor's	

	<p>sampling of inspection records and that the audit was a snapshot carried out at a period of time and any earlier reports would have presented the status at that time.</p>	
5.6	<p>Whilst acknowledging that the audit review of the College Asbestos Register generally indicated low risk, a member commented that it was disappointing that there had not been an inspection since 2021 and asked how the management of the estates' asset portfolio could be improved. In response, the Committee were assured that plans were in place to recruit a Contracts and Maintenance Manager who would oversee the planning of activities as well as KPIs and SLAs and the move to a new scheduling calendar system for both planned and reactive work would have a positive impact on future audits.</p>	
5.7	<p>With regards to monitoring progress against internal audit recommendations, it was noted that each action was owned by a responsible officer and a rolling audit action review followed up on each action. The internal auditor also followed up on all actions on an annual basis to provide third party assurance.</p>	
5.8	<p><b>Corporation report 3:</b> The Committee received reports from the internal audit service provider Wylie &amp; Bisset which provided (i) a substantial level of assurance regarding the controls in place for health and safety at the College; and (ii) a substantial level of assurance surrounding the strategic and operational arrangements in place for Estates Management.</p> <p>Whilst the audits revealed a positive picture, the Committee had a number of questions as to the Estates Management report and asked for further information as to the sampling of statutory safety inspections carried out to reach the conclusion that this was an area of good practice so that the Committee could take a deeper dive to gain full assurance in this respect.</p>	
1610 1615	<p><i>P Lucarz, Executive Director, People &amp; Culture, entered the meeting</i> <i>P Sugden left the meeting</i></p>	
7	<p><b>STAFF RECRUITMENT</b></p>	
7.1	<p>In introducing the Staff Recruitment internal audit report, S Pringle (SP) advised that this was an advisory review which was intended to add value to the recruitment process. The review considered the staff recruitment arrangements in place at the College and made three advisory recommendations which covered vacancy KPI development and market research, updating of policies and roles and responsibilities.</p>	
7.2	<p>PL advised that a whole process review of recruitment activities and policies was currently underway led by a designated and accountable manager.</p>	
7.3	<p>The requirement for new starters to complete a significant number of mandatory training modules within their first 4 weeks of employment was also being considered as part of the aforementioned review, to determine whether there was a more proportionate and less onerous approach to fulfilling statutory requirements.</p>	
7.4	<p>Work in relation to safeguarding and the delicate balance of ensuring a positive candidate experience whilst maintaining assurance was also outlined.</p>	
7.5	<p><b>Corporation report 4:</b> The Committee received a report from the internal audit service provider Wylie &amp; Bisset of an advisory review which considered the staff recruitment arrangements in place at the College and made three advisory recommendations which covered vacancy KPI development and market research, updating of policies and roles and responsibilities. The Committee were advised of the whole process review that is currently underway in this area and are satisfied as to the plans outlined.</p>	

1630	<i>P Lucarz left the meeting</i>	
1640	<i>The meeting resumed after a 10 minute comfort break</i>	
<b>INTERNAL AND EXTERNAL AUDIT</b>		
<b>8</b>	<b>ROLLING AUDIT ACTION REVIEW</b>	
8.1	P Doherty (PD) Deputy Principal Finance & Resources, presented a paper which provided an update as to the current status of all audit recommendations and highlighted the increase in the number of recommendations being tracked.	
8.2	In discussing the rolling audit action review, the Committee felt that a number of the recommendations were not clearly defined which meant that it would be difficult to actually measure when they had been achieved. It was agreed that future reports should include more specific and focused actions to enable a more targeted response and facilitate swifter close down of actions.	
8.3	With regards to the 4 overdue recommendations outlined, the Committee agreed that whilst the completion dates could be extended, they should not be extended beyond the end of the academic year ie July 2024.	
<b>8.4</b>	<b>ACTION:</b>  1. Future report recommendations should be more clearly defined with specific and focused actions; and 2. The completion dates for the 4 overdue recommendations outlined within the report could be extended to July 2024, but not beyond.	<b>PD</b>  <b>PD</b>
<b>8.5</b>	<b>Corporation report 5:</b> The Committee received a progress report on the implementation of previous internal audit recommendations. The Committee heard that the number of recommendations had risen significantly given the number of internal audit reviews carried out, so whilst there were 4 overdue recommendations, the Committee are satisfied that good progress is being made on implementing the audit recommendations.	
<b>9</b>	<b>FUNDING ASSURANCE REPORT</b>	
9.1	D Rayneau (DR) Vice Principal Business Systems, Information & Technology, presented a report which provided an update on actions arising from a number of external funding assurance audits undertaken by the ESFA, WYCA and RSM.	
9.2	The report outlined that there had been a total of 51 recommendations from the various audits and an audit action plan containing 23 actions had been compiled to address them.	
9.3	Frustration as to the availability of the Data Self-Assessment Toolkit (DSAT) was noted in that it was not made available by the ESFA until 1 December 2023, when the R04 ILR funding return which dictates future 16-19 allocations, had to be submitted by 6 December 2023. This left no time for the review of ILR for data accuracy before submission.	
9.4	In response to a question as to the number of national insurance numbers omitted from learner documentation, it was noted that this was in relation to adult learners in receipt of JSA and the new onboarding system being introduced in September would force compliance in areas such as this.	
9.5	In terms of future planning, it was noted that curriculum planning would be a significant focus given the changes to English and Maths provision in 2025/26 and requirement for 140 hours teaching required as a condition of funding. Given this, a new strategic priority in relation to readiness for English and Maths provision would be proposed at the forthcoming Governor/SLT Strategy session.	

9.6	<b>Corporation report 6:</b> The Committee received a report which provided an update on actions arising from a number of external funding assurance audits undertaken by the ESFA, WYCA and RSM and were satisfied with the work and progress outlined. It has no concerns to report.	
<b>RISK</b>		
10	<b>STRATEGIC RISK REPORT</b>	
10.1	P Doherty (PD) presented a paper which set out activities in relation to risk management.	
10.2	In discussing the report, the following points were noted:- <ul style="list-style-type: none"> <li>Progress made in relation to the Strategic Risk Register was acknowledged and welcomed.</li> <li>Whilst the proposal to assign the 13 strategic risks to the relevant Corporation committee for ongoing review was agreed in principle, it was further agreed that the Audit Committee should maintain an overview and receive progress updates.</li> <li>In response to a question regarding the proposal for 2 committees to monitor risks in relation to sustainability, it was noted that the Curriculum Strategy Committee would monitor those in relation to curriculum intent, whilst the Finance and Resources Committee would focus on estates infrastructure.</li> <li>Given time constraints, it was agreed that the Chair would liaise with officers outside of the meeting to draw up proposals for the College's internal audit plan for 2024/25 for consideration by the Audit Committee at its' meeting in June, with a view to subsequent recommendation to the Corporation in July. It was requested that an additional line to describe the nature of the audit alongside the audit title be included.</li> </ul>	
10.3	<b>Actions:-</b> <ol style="list-style-type: none"> <li>Subject to Corporation's agreement to assign strategic risks to relevant committees, progress updates be scheduled on the Audit Committee's workplan to maintain an overview of the College's strategic risks; and</li> <li>A meeting with the Chair to be arranged to draw up proposals for the College's internal audit plan for 2024/25.</li> </ol>	CT CT
10.4	<b>Corporation report 7:</b>  The Committee received an assurance report on the new strategic risk register and welcomed the progress made.  The Committee recommends that the Corporation approves:- <ol style="list-style-type: none"> <li>Proposals to assign the 13 strategic risks to the relevant Corporation committee for ongoing review with the caveat that the Audit Committee maintains an overview; and</li> <li>The updated Risk Management Policy and Procedures document for adoption.</li> </ol>	
<b>COMPLIANCE</b>		

<b>11</b>	<b>DATA PROTECTION COMPLIANCE REPORT</b>	
11.1	C Tague, Director of Governance and Compliance and Data Protection Officer (CT) provided an update in relation to data protection compliance.	
11.2	It was noted that there had been 5 data breaches since the last Audit report on 6 December 2023 and instances were cases of user error and were reported promptly on discovery.	
11.3	With regards to compliance, an external review completed in November 2023 found that whilst a compliant Record of Processing Activities (RoPA) was in place, it was in its infancy and process owners were not appointed. The Committee were advised that it would be a significant piece of work to bring this together into a more cohesive and accessible form. Given the need to progress, a consultancy package has been agreed with Data Protection People to assist in taking the actions forward.	
11.4	With regards to staff training, three 45-minute workshops which provided a general overview of data protection and included case studies of where it went wrong, the consequences of not following procedures and some best practice procedures were held at the recent staff development day.	
<b>11.5</b>	<b>Corporation report 8:</b> The Committee received an assurance report on data protection. It has no concerns to report.	
1725	<i>R Harwood, Head of Health and Safety joined the meeting via videolink</i>	
<b>12</b>	<b>HEALTH AND SAFETY COMPLIANCE REPORT</b>  R Harwood (RH), Head of Health & Safety presented a paper which provided an update in relation to health and safety compliance. The Committee were advised that overall compliance continued to improve with an average of 95% across the College and good progress was being made in relation to certification.  In response to a member question as to compliance and certification, it was noted that there had been previously been issues with contractors submitting paperwork on time and a piece of work was ongoing to ensure that everything was in place.  <b>Corporation report 9:</b> The Committee received an assurance report on health and safety compliance and noted the update provided.	
1730	<i>R Harwood left the meeting.</i>	
<b>13</b>	<b>FRAUD REGISTER REPORT</b>  No items were reported.	
<b>14</b>	<b>POST-16 AUDIT CODE OF PRACTICE 2023-24</b>  The Committee noted the annual update of the Post-16 Audit Code of Practice (2023-24).	
<b>GOVERNANCE, MATTERS TO NOTE AND ADMINISTRATION</b>		
<b>15</b>	<b>DATE OF NEXT MEETING</b>  Wednesday 26 June 2024 at 1500.	
<b>16</b>	<b>PUBLICATION OF AGENDA PAPERS</b>  It was agreed that all documents marked confidential on the meeting agenda should remain confidential.	

<b>17</b>	<b>MEETING CLOSED</b>  There being no further business, the Chair thanked the Committee and declared the meeting closed at 1732.	
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<b>Agreed Actions</b>				
	<b>Who</b>	<b>Action</b>	<b>Min</b>	<b>By</b>
1	SP	To report back to the Committee as to the sampling methodology used on the health and safety and estates management internal audit reports.	02(v)	26/06/24
2	NS	The management response to recommendation 4 (suppliers to provide evidence of cyber security certification) outlined within the report be broadened to encompass suppliers that process, hold and upload College data, not just third-party software providers.	3.5	ASAP
3	PD	Rolling Audit Action Review - future report recommendations should be more clearly defined with specific and focused actions.	8.4.1	ASAP
4	PD	The completion dates for the 4 overdue recommendations outlined within the report could be extended to July 2024, but not beyond.	8.4.2	ASAP
5	CT	Subject to Corporation's agreement to assign strategic risks to relevant committees, progress updates be scheduled on the Audit Committee's workplan to maintain an overview of the College's strategic risks.	10.3.1	26/06/24
6	CT	A meeting with the Chair to be arranged to draw up proposals for the College's internal audit plan for 2024/25.	10.3.2	26/06/24



Items of report for Corporation		
	The Committee received:-	Min
1	<p>A report from the internal audit service provider Wylie &amp; Bisset which provided a substantial level of assurance over the College's ICT Cyber Maturity and associated policies, procedures, and controls.</p> <p>The Committee's view that the management response to the recommendation in relation the requirement for suppliers to provide evidence of cyber security certification was accepted and will be broadened to encompass suppliers that process, hold and upload College data, not just third-party software providers.</p>	3.6
2	A report from the internal audit service provider Wylie & Bisset which provided strong assurance that the College had appropriate controls and systems in place for student recruitment.	4.4
3	<p>Reports from the internal audit service provider Wylie &amp; Bisset which provided (i) a substantial level of assurance regarding the controls in place for health and safety at the College; and (ii) a substantial level of assurance surrounding the strategic and operational arrangements in place for Estates Management.</p> <p>Whilst the audits revealed a positive picture, the Committee had a number of questions as to the Estates Management report and asked for further information as to the sampling of statutory safety inspections carried out to reach the conclusion that this was an area of good practice so that the Committee could take a deeper dive to gain full assurance in this respect.</p>	5.8
4	A report from the internal audit service provider Wylie & Bisset of an advisory review which considered the staff recruitment arrangements in place at the College and made three advisory recommendations which covered vacancy KPI development and market research, updating of policies and roles and responsibilities. The Committee were advised of the whole process review that is currently underway in this area and are satisfied as to the plans outlined.	7.5
5	A progress report on the implementation of previous internal audit recommendations. The Committee heard that the number of recommendations had risen significantly given the number of internal audit reviews carried out, so whilst there were 4 overdue recommendations, the Committee are satisfied that good progress is being made on implementing the audit recommendations.	8.5
6	An update on actions arising from a number of external funding assurance audits undertaken by the ESFA, WYCA and RSM and were satisfied with the work and progress outlined. It has no concerns to report.	9.6
7	<p>An assurance report on the new strategic risk register and welcomed the progress made.</p> <p>The Committee recommends that the Corporation approves:-</p> <ol style="list-style-type: none"> <li>Proposals to assign the 13 strategic risks to the relevant Corporation committee for ongoing review with the caveat that the Audit Committee maintains an overview; and</li> <li>The updated Risk Management Policy and Procedures document for adoption.</li> </ol>	10.4
8	An assurance report on data protection. It has no concerns to report.	11.5
9	An assurance report on health and safety compliance and noted the update provided.	12